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3 August 1967⁺

MEMORANDUM FOR THE RECORD

SUBJECT: China Topics Raised by Mr. Robert W. Barnett, Deputy Assistant Secretary, Bureau of Asian and Pacific Affairs, Department of State at D/OER dinner on 1 August

PARTICIPANTS: Robert W. Barnett, Deputy Assistant Secretary, Bureau of Asian and Pacific Affairs, Department of State; John H. Holdridge, State, INR/EA; Alfred Jenkins, White House Staff; William N. Morell, Jr., D/OER; [REDACTED]

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The following topics for discussion were raised by Mr. Barnett:

1. General structure of CIA's research responsibilities on Communist China

A brief sketch of CIA's research responsibilities on China was presented by the participants from OER, OCI, OSR and ONE.

2. Appraisal of the value of sources outside of government

Both State and Agency participants were in general agreement that the US Government was not lagging behind the academic community in analyzing political and economic trends in modern China. In fact, the rather extensive contacts and exchanges to date have tended more toward building the confidence of the academic community. It was agreed that because we have more information to gauge the reality of the situation in China, we should do more to immerse academic consultants in our source materials. Attempts to date, such as Dwight Perkins' examination of our agricultural data, have proven mutually beneficial.

3. The food/population problem

Mr. Barnett felt that a high priority should be given to achieving a breakthrough on the Chinese food problem. He stated that to date China has not chosen a policy of selective starvation but a distribution of malnutrition. This policy has involved some redirection of investment patterns. Mr. Barnett

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believed that if the food situation worsened, China would be forced to choose a policy of selective starvation with the possible result of fragmentation of political authority. Mr. Morell and [REDACTED] explained current R&D underway using

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[REDACTED] more accurate production estimates and not acreage estimates were recognized as the key to this problem.

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Mr. Barnett also expressed an interest in additional research to learn how effective Chinese birth control measures have been in limiting population growth. Mr. Holdridge stated that some sampling of [REDACTED] reports was being undertaken [REDACTED] to determine the effect of current birth control measures in selected Chinese cities. Other work in this field was being done by [REDACTED] Brief mention also was made of the range of confidence in Chinese population estimates.

4. Relation between PLA and principal competing personalities in the cultural revolution

There was general agreement that the PLA is the most cohesive force in China today. The PLA acts as a cohesive unit in an institutional sense when performing military tasks, but this cohesiveness tends to break down when the PLA is asked to perform political tasks with which it may not agree, such as pursuit of the cultural revolution. The ensuing discussion centered on determining forces contributing to centralism and fragmentation between military and political leaders in China. Inconclusive discussion centered on such questions as "Who owns the PLA?" and "whether the removal of present forces at the center of authority would result in a natural return to unity".

5. Resource allocation with special references to advanced weapons

Mr. Barnett thought that a think piece should be done to determine the stake a ruling military coalition would have in preserving central authority in light of the national economic support required to sustain a modern weapons program. He also was interested in the political forces tending toward unity or fragmentation within such a ruling military coalition.

6. In conclusion, Mr. Barnett stressed the need for continuing research on (1) food/population problem, (2) birth control, and (3) political factors involved in resource allocation to advanced weapons programs. He expressed the Department's interest and close attention given to the following papers produced by OER:

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1. IM 67-37 Foreign Exchange Impact of a Chinese Communist Takeover of Hong Kong, June 1967, S.
2. IR 67-12 Japan's Economic Role in the Development of Free Asia, May 1967, C.
3. IM 67-21 The Contribution of Imports to Communist China's Advanced Weapons Program, May 1967, S/NFD.
4. Typescript Economic Progress in North and South Korea, 13 July 1967, S.

Mr. Barnett stated he had a few bones to pick with the figures in IR 67-12.

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Attachment:

Points for Use in Meeting with Morell, et al, 6:00p.m. 1 Aug.
(Outline)

Distribution:

- ✓O & 1 - D/OER
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